

Message Text

PAGE 01 THE HA 01630 090851 Z

15

ACTION EUR-25

INFO OCT-01 ADP-00 AID-20 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02

LAB-06 SIL-01 SAL-01 OMB-01 L-03 DODE-00 PA-03

USIA-12 PRS-01 RSR-01 /120 W
----- 015375

R 090755 Z APR 73

FM AMEMBASSY THE HAGUE
TO SECSTATE WASHDC 1059
INFO USMISSION EC BRUSSELS
AMEMBASSY BRUSSELS
AMEMBASSY LUXEMBOURG

LIMITED OFFICIAL USE THE HAGUE 1630

DEPT PASS LABOR

E. O. 11652: N/ A

TAGS: ELAB NL

SUBJECT: LABOR UNREST IN NETHERLANDS EXPECTED
TO CONTINUE

REF: THE HAGUE 836

1. SUMMARY: SINCE FEBRUARY 20 WHEN TALKS BETWEEN THE INDUSTRIAL UNIONS AND EMPLOYERS IN METAL INDUSTRY ON A NEW COLLECTIVE LABOR AGREEMENT BROKE DOWN, THE NETHERLANDS HAS EXPERIENCED SERIES OF STRIKES AND WORK STOPPAGES. ON APRIL 4 THERE WERE STRIKES IN 43 DIFFERENT COMPANIES WITH A TOTAL OF 31,000 WORKERS INVOLVED. TALKS BETWEEN EMPLOYERS AND UNIONS HAD RESUMED MARCH 27 UNDER DIRECTION OF MEDIATOR BUT BROKE DOWN AGAIN APRIL 2. MEDIATOR COMMENTED NEITHER SIDE WANTED SOLUTION -- ONLY CONTINUED CONFRONTATION. UNIONS HAVE ANNOUNCED THEY PLAN EXTEND STRIKES TO OTHER BRANCHES OF INDUSTRY. ROOT OF CONFLICT IS EMPLOYERS' REFUSAL TO SUBMIT TO UNIONS' DEMAND
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 THE HA 01630 090851 Z

TO INSTITUTE LIMITS ON MAXIMUM WAGE COMPENSATION AGAINST PRICE INCREASES FOR SOME WORKERS AS STEP TOWARD IMPLEMENTATION OF " INCOMES

POLICY". GOVT MUST HAVE FINAL SAY ON BASIC ISSUE SUCH AS INCOMES POLICY BUT QUESTION OF WHEN NEW GOVT WILL BE IN PLACE STILL UP IN AIR. THE PROSPECTS ARE FOR CHRONIC LABOR UNREST IN MAJOR SEGMENTS OF DUTCH INDUSTRY OVER NEXT FEW MONTHS.

END SUMMARY.

2. ON FEBRUARY 20, INDUSTRIAL UNIONS (LARGEST IN THE NETHERLANDS) BEGAN A SERIES OF STRIKE ACTIONS IN THE METAL INDUSTRY. PRINCIPAL TARGET AT OUTSET OF STRIKE WAS HOOGOVENS STEEL CONCERN BUT AS RESULT COURT DECISION ORDERING THREE- MONTH COOLING OFF PERIOD THIS STRIKE IN ABEYANCE. UNIONS TURNED TO OTHER COMPANIES IN METAL TRADES AND HAVE BEEN STRIKING VARIETY OF COMPANIES THROUGHOUT NETHERLANDS. AS STATED REFTEL, ROOT OF DISAGREEMENT ON NEW COLLECTIVE LABOR AGREEMENT (CAO) IS EMPLOYERS' REFUSAL TO MEET UNIONS' DEMANDS FOR LIMIT ON COMPENSATION FOR HIGHER PAID WORKERS AND ALSO TO INCLUDE THESE WORKERS UNDER CAO. SITUATION IS COMPLICATED BY INTERNECINE STRIFE WITHIN TRADE UNION MOVEMENT ITSELF. HIGHER PAID WORKERS HAVE INDEPENDENT UNION WHICH HAS SIDED WITH EMPLOYERS AND HAS URGED THEM RESIST INDUSTRIAL UNIONS' DEMANDS.

3. AFTER ONE MONTH OF STRIKES, IN WHICH AN AVERAGE 20 TO 25 THOUSAND WORKERS PARTICIPATED EACH DAY, EMPLOYERS AGREED TO RESUME TALKS WITH UNIONS. EMPLOYERS DID NOT MAKE TERMINATION OF THE STRIKES CONDITION FOR RESUMPTION OF NEGOTIATIONS. RESUMPTION OF TALKS MADE POSSIBLE BY DISCUSSIONS BETWEEN PRESIDENTS OF THE THREE TRADE UNION CENTERS (DE BOON, NVV; MERTENS, NKV; AND LANSER, CNV) AND THE CHAIRMAN OF THE DUTCH EMPLOYERS FEDERATION (BANNKENIST) AND METAL EMPLOYERS CHAIRMAN (PRINS). PROFESSOR GOUDZWAARD OF AMSTERDAM (ARP MEMBER OF THE SECOND CHAMBER FROM 1967-71) WAS CHOSEN AS MEDIATOR. TALKS BEGAN MARCH 27 BUT WERE SUDDENLY BROKEN OFF APRIL 3. MEDIATOR GOUDZWAARD SAID THE POINT AT ISSUE WAS NOT SIMPLY A .05 PERCENT PRICE COMPENSATION LIMITATION BUT ENTIRE QUESTION OF INCOMES POLICY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 THE HA 01630 090851 Z

4. APRIL 4 ARIE GROENVELT, PRESIDENT OF THE NVV INDUSTRIAL WORKERS (WHO HAS PLEDGED STRIKE WILL ACHIEVE " BREAKTHROUGH" ON INCOMES POLICY) SAID UNIONS WOULD EXTEND STRIKES BEGINNING WEEK OF APRIL 8 TO LARGER CONCERNS. HE MENTIONED MULTINATIONALS SUCH AS AKZO, PHILIPS AND UNILEVER. GROENEVELS PRAISED THE WORK OF MEDIATOR GOUDZWAARD BUT SAID HIS PROPOSAL FOR SOLVING IMPASSE WAS TOO COMPLEX. THE NVV LEADER ALSO

SAID UNIONS WOULD CONTINUE EFFORTS TO CONCLUDE INDIVIDUAL CONTRACTS WITH INDEPENDENT METAL CONCERNS AND HOPES THESE WOULD BE MODELS FOR INDUSTRYWIDE CAO. ON APRIL 5, IT WAS ANNOUNCED THAT DESPITE BREAKDOWN IN NEGOTIATIONS SEVERAL LARGE CONCERNS, AKZO AMONG THEM, STILL WANTED TO TALK. TALKS WITH AKZO AND UNILEVER BEGAN THAT MORNING BUT BY 1:00 PM, TALKS HAD BEEN BROKEN OFF BECAUSE OF BASIC DISAGREEMENTS. THE UNIONS ANNOUNCED LATER IN THE DAY THAT 12 MILLION OF THEIR 26 MILLION GUILDER STRIKE FUND HAD BEEN USED SINCE LATE FEBRUARY. GROENEVELT CHARGED EMPLOYERS WERE TRYING TO EXHAUST THE UNION STRIKE FUND AND ALSO TO PHYSICALLY EXHAUST UNION LEADERSHIP BY AGREEING TO TALKS AND THEN ABRUPTLY BREAKING THEM OFF AFTER A FEW DAYS. HE ANNOUNCED A NEW EFFORT TO RAISE MONEY FOR THE STRIKE FUND. SPOKESMEN FOR THE EMPLOYERS' ORGANIZATION DISMISSED GROENEVELT'S CHARGES OUT OF HAND AND SAID IF UNIONS WERE PREPARED TO TALK REASONABLY, STRIKE AND STRIKE FUND RAISING WOULD BE UNNECESSARY.

5. COMMENT: IN PRESS INTERVIEW APRIL 4 PROFESSOR GOUDZWAARD SAID HIS GENERAL IMPRESSION OF THE TALKS DURING HIS SHORT STINT AS MEDIATOR WAS THAT UNIONS AND EMPLOYERS WERE TESTING EACH OTHER'S STRENGTH. HE REITERATED HIS EARLIER STATEMENT THAT PARTIES WOULD NOT HAVE ACCEPTED COMPROMISE SOLUTION EVEN IF ONE WERE AVAILABLE. GOUDSWAARD POINTED OUT THAT NEGOTIATIONS WOULD BECOME USEFUL ONLY WHEN A NEW GOVT WAS IN OFFICE SINCE NEW GOVT WOULD HAVE TO GRAPPLE WITH THE PROBLEM OF INCOME DISTRIBUTION WHICH IN FINAL ANALYSIS IS MATTER FOR GOVT DETERMINATION. HE SAID IT CANNOT BE SOLVED IN SESSIONS BETWEEN UNIONS AND EMPLOYERS. EMBASSY NOTES, HOWEVER, THE NETHERLANDS STILL WITHOUT NEW GOVT OVER FOUR MONTHS AFTER NOVEMBER 29, 1972 ELECTION. THIS SUGGESTS IT MAY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 THE HA 01630 090851 Z

STILL BE SOME TIME BEFORE NEW GOVT CAN BEGIN TO THINK ABOUT INCOMES POLICY. THUS PROSPECTS ARE FOR CONTINUED LABOR TURBULENCE.

6. AN ADDITIONAL FACTOR WHICH WILL PROMOTE TURBULENCE IS NVV INDUSTRIAL UNION PRESIDENT GROENEVELT'S PERSONAL STAKE IN THE MATTER. HE HAS PLEDGED BREAKTHROUGH AND HIS REPUTATION AS THE MOST POWERFUL INDIVIDUAL TRADE UNIONIST IS ON THE LINE. GROENEVELT AND THE IDEOLOGUES WHO ARE HIS PRINCIPAL ADVISERS ARE FIRMLY COMMITTED TO VIEW THAT HARMONY MODEL WHICH WAS THE HALLMARK OF DUTCH INDUSTRIAL RELATIONS FROM END OF WWII UNTIL LATE 60S IS PASSE. THEY SUBSCRIBE TO "CONFLICT MODEL" AND BY ITS APPLICATION HOPE TO ACHIEVE FUNDA-

MENTAL CHANGES IN DUTCH ECONOMY AND SOCIAL STRUCTURE.
NO MATTER THE POLITICAL COMPLEXION OF THE NEXT GOVT, IT
MUST DEAL WITH THIS NEW MILITANCY. ITS SUCCCESS OR LACK
OF SAME IN COPING WITH THIS MILITANCY MAY WELL
DETERMINE HOW LONG IT SURVIVES.
MIDDENDORF

LIMITED OFFICIAL USE

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 07 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973THEHA01630
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730460/abqcekti.tel
Line Count: 171
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: THE HAGUE 836
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 29 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29-Aug-2001 by izenbei0>; APPROVED <01-Oct-2001 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971216
Subject: LABOR UNREST IN NETHERLANDS EXPECTED TO CONTINUE
TAGS: ELAB, NL
To: STATE INFO EC BRUSSELS
BRUSSELS
LUXEMBOURG
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005